

Reconomy launches ReDress to help textile producers meet expanding international EPR regulations

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<u>Reconomy</u>, the international circular economy specialist, has launched a tech-enabled, international service to help businesses comply with textile Extended Producer Responsibility (EPR) regulations.

The service – called ReDress – will help businesses understand and deal with their global obligations and the legislative timescales of different EPR schemes as well as the financial impact and reporting requirements stemming from these regulations. From a sustainability perspective, they will also be better placed to redress the environmental impact of fashion.

The ReDress solution combines horizon scanning, data management, environmental compliance, omnichannel take-back and repair services. ReDress leans on Reconomy's specialist international capabilities throughout the resource cycle to provide a one-stop-shop service for the complex questions posed by textiles EPR.

EPR is an environmental policy determining the responsibilities producers (including manufacturers, importers, brand owners and retailers) have at the post-consumer stage of a product's lifecycle. EPR therefore supports positive environmental change via incentives and fees.

In March 2024, the European Parliament passed the first stage of amendments to the Waste Framework Directive meaning EPR for textiles will soon be mandatory across EU member states.

Global implementation of these schemes is accelerating as textile production is highly resource-intensive with low recycling rates. The industry uses 93 billion cubic metres of water a year, is the third highest user



of water and land, and the fourth most carbon intensive. Less than 1% of textiles worldwide are recycled into new products.

This month, Reconomy also set up its new Producer Responsibility Organisation (PRO) in Italy for membership. This is a collective system which, as soon as the legislation comes into force, will have the authority to fulfil all obligations under the EPR and other European textile directives on behalf of producers.

In the meantime, membership will be on a voluntary basis and the PRO will drive awareness across all supply chain stakeholders around the correct management of textile products within the context of increasing circularity, in order for them to be prepared to meet future requirements.

Reconomy's 'Re-use' loop is already trusted to manage over 96 million product returns a year for major fashion and homewares brands and has demonstrated a 20% reduction in its customers' carbon intensity since 2020.

In its 'Comply' loop, Reconomy submits over 10,000 data declarations every year from 23 regional hubs servicing over 80 countries with more than 30 dedicated data specialists. Reconomy has seen significant recent growth, expanding to operate across more than 80 countries, with more than 4,000 colleagues and over 10,000 customers.

Claire Webb, Executive Chair of Reconomy's Re-use division, said: "As the international compliance landscape becomes increasingly complex, businesses can derive significant strategic benefits from single-provider, end-to-end solutions to manage this process. Textiles EPR is coming around the corner and as the responsibility shifts, there are serious cost implications as well as risks for businesses that do not have visibility of what will shortly be required of them. Working with a provider like Reconomy gives businesses an efficient and compliant international operation with a holistic view of their sustainability objectives and obligations."

Reconomy Head of Voluntary Compliance and EPR expert James Beard, commented: "EPR is an increasingly prevalent consideration for textile producers as international implementation of these schemes accelerates. ReDress was developed leveraging Reconomy's specialist capabilities through the resource cycle and its international reach, to provide a one-stop-shop service that will help stakeholders prepare for textiles EPR. We are excited to bring this product to-market, empowering businesses to fulfil their environmental responsibilities seamlessly – giving them more strategic control by using a single provider. With textiles EPR soon to be mandatory within the EU and the direction of travel towards greater compliance requirements gathering pace, our comprehensive package of services have never been more pivotal."

Patrick Wiedemann, CEO of Reconomy's Comply Loop, concluded: "We're proud to have launched our international PRO project in Italy and look forward to helping members take new textiles regulation in their stride.

"What truly sets us apart is our extensive data management and EPR expertise, alongside our capabilities in post-selling and unsold stock management, and long-time collaboration with top brands within the textile sector. Reconomy's international pedigree will enable producers to be compliant with environmental regulations and improve the circularity of their operations as we look to create a more



sustainable world."